

THE IVY NETWORK CORPORATION

242 - A YALE STATION • NEW HAVEN, CONN. 06520 • (203) 787-0711

S. L. MAIER
PRESIDENT

MARK J. HOFFMAN
SECRETARY - TREASURER

June 30, 1971

Mr. Jeff Fannon
Campus Media, Inc.
165 West 46th Street
New York, New York 10036

Dear Jeff:

I have spent considerable time since our last conversation reading all past correspondence, talking to George Schweitzer, our chairman, and thinking of ways to work out the contract and payment situation. It seems that you received a letter from Jeff Harris last summer that was almost a duplicate of Sandy's. At that time, Ivy let Campus work out a prolonged payment schedule with the prepayment stipulation. I don't believe we will be able to work out any such arrangement this time, but allow me to tell you exactly what the feelings of the officers of the corporation are, and what we must do in accordance with the vote of our board of directors.

Obviously, Campus brings in money for us, some of which (perhaps most) we could not sell on our own. I have no intention of trying to break Campus, or of suing you unless we find that something is amiss, and I believe that you have been honest with me about your problems. It is unfortunate that I won't be able to see the books or get a list of the accounts that have paid you, but I will write to Mr. Suski in this regard.

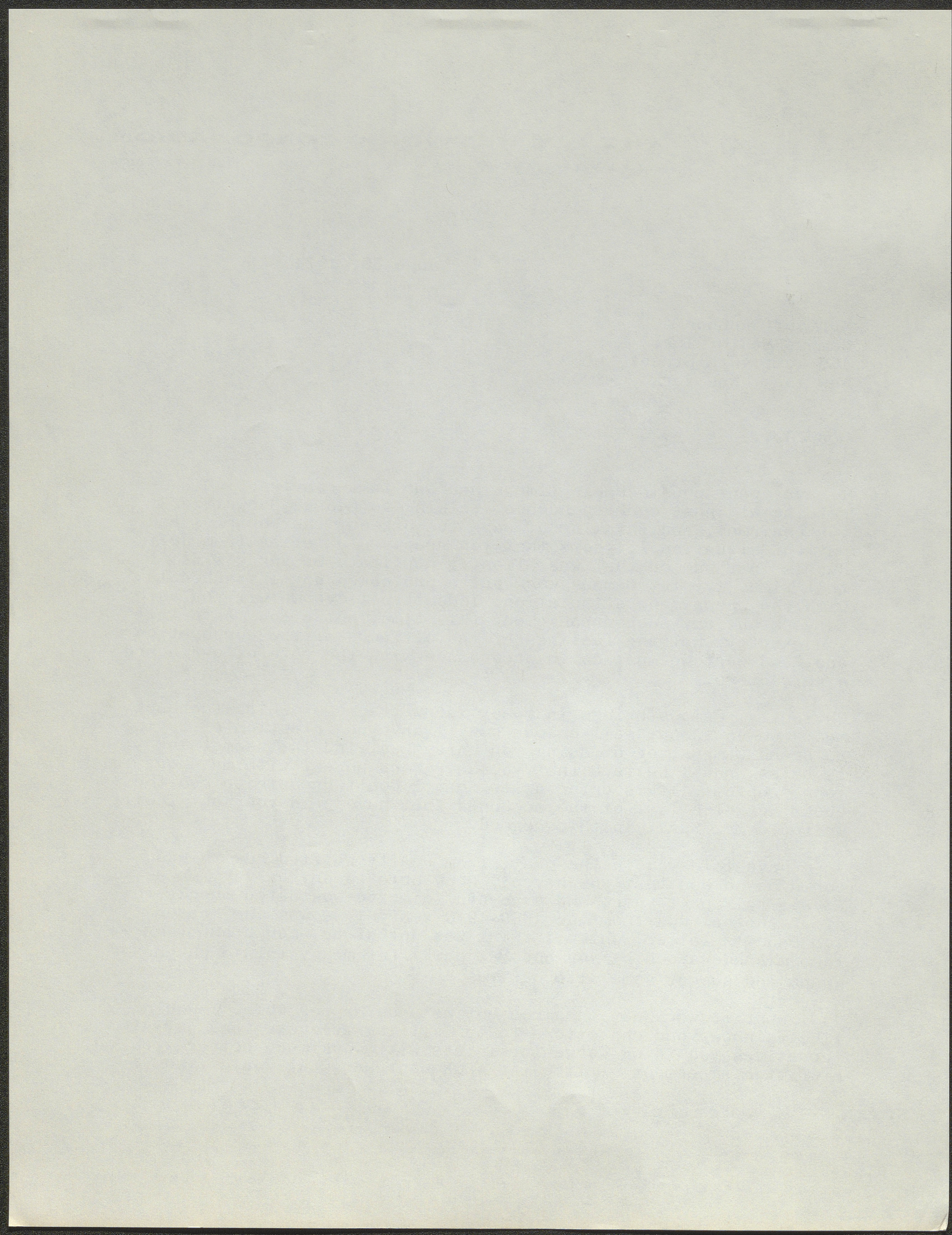
As I have told you in the past, I am really baffled how things could be so bad that you haven't been able to pay us very much at all this past year, and even had to write postdated checks to clear the balance from the 1969-1970 year. This was one reason for Sandy's letter, which I think was not clear enough and therefore misunderstood by you and Mr. Suski. Let me explain each paragraph and suggest some alternatives.

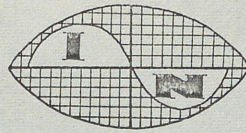
1) I want to work out an agreement as soon as possible. I would like to know your objections to our billing accounts, and any alternatives you think workable. Things will work much better with a written agreement. I like the WDCR contract, but would like

WHERE FUTURE AMERICA LISTENS AND LEARNS:

BROWN: WBRU	COLUMBIA: WKCR	CORNELL: WVBR	HARVARD: WHRB
DARTMOUTH: WDCR	PENNSYLVANIA: WXPB	PRINCETON: WPRB	YALE: WYBC
WESLEYAN: WESU	UNION COLLEGE: WRUC	MIT: WTBS	WILLIAMS COLLEGE: WWS
BOSTON UNIVERSITY: WTBU	LEHIGH: WLRN	RUTGERS: WRSU	BOSTON COLLEGE: WVBC

AND AFFILIATED STATIONS





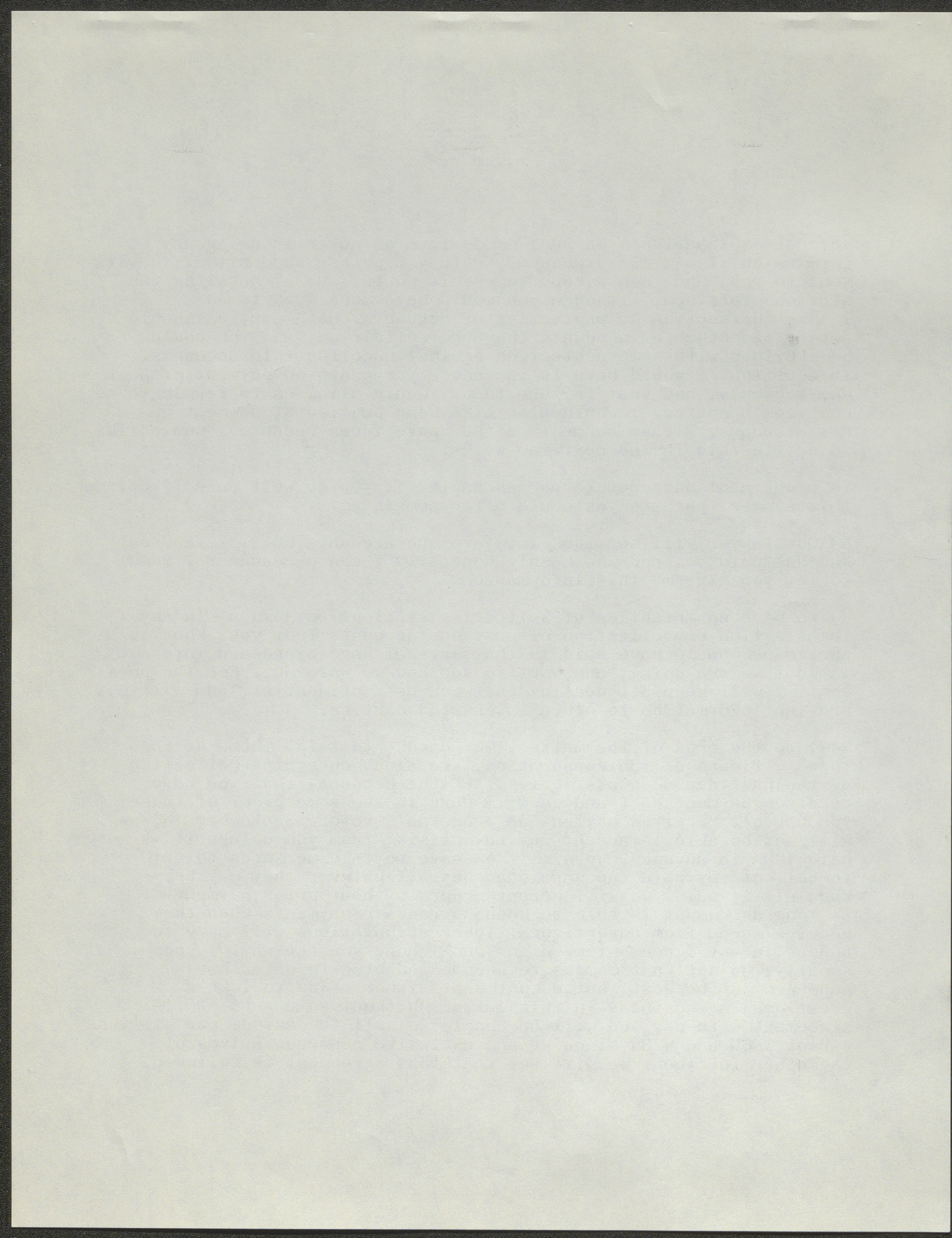
several explanations. Why a 17½% maximum on advertising agency commission? Isn't 15% standard? Would you rather have all affidavits sent to you, and then a copy to us? It would save us hassling the stations for them, although you would have more work to do. I like the section on protection of accounts. Both parties should notify the other of accounts they are soliciting, and you could be provided with some protection against uncollectible accounts. In addition, I would have to include a paragraph on payment of past due accounts, and that failure to pay would allow us to terminate on one week's notice. I would also like some promise of payment on new accounts. Please comment on the above ideas because I would like to settle this in the next few weeks.

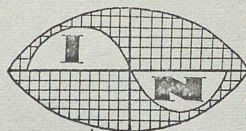
Is prepayment on accounts unreasonable? If you do well on collections this summer, perhaps you could offer something.

3) Our lawyer will not look into overdue accounts until I find out who has paid you and who hasn't. Hopefully I can persuade Mr. Suski to let you give me this information.

4) We have no intention of soliciting stations to join us in any legal action or collection of past due accounts from you. What this paragraph should have said is that several have expressed interest in what we are doing, and want to see how we make out. For the present, I will keep all dealings between us confidential, and will not provide information to other interested parties.

Now, to the crux of the matter. Our hands, that is, those of the three officers of the corporation, are tied concerning collection of the past due accounts. Unless ALL the accounts that you have received payment on (and we will have to see some proof of those you haven't received payment on) are paid before September 15, we will not be able to accept any advertising from you unless it is paid 100% in advance. We will then have to take measures to try to collect any paid and unpaid accounts, whatever they may be. When all is paid, we will accept orders without prior payment as long as Campus is able to keep up regular payments when they receive money from advertisers. These stipulations will have to appear in any agreement we sign, and I hope you see why. I, personally, do not want Campus to become indebted to us as has happened in the past, but do not want either of us to lose a great deal of business in this matter. Without some sort of agreement with us, you will be unable to sell for any of our stations except WDCR and WVBR since we are exclusive representatives of the other fourteen. We will see that that agreement is followed.





I expect to receive some ideas from you on the contract, and if we come to some agreement, I will draw up a contract that we will sign.

I would also like your frank opinion on what the payment outlook is. I will also ask Mr. Suski for his opinion. Based upon past performance and last year's sales, however, it appears to me that Campus is going to have a hard time paying us before September 15. This makes things harder come the school year, and if both of us aren't careful, we will lose money. I cannot make it any more clear than I have that we will accept no advertising without pre-payment come September 15 if the balance is not paid in full, and that we will attempt to collect accounts you have received payment on but may have withheld from us.

When the Allegheny accounts are closed, I will send you a list of how much you owe us on each account by my records. There shouldn't be much dispute on this since we went through it once before.

Jeff, thank you for your cooperation, and I hope that Mr. Suski and I can come to some agreement on payment. By the way, have you heard from or about Joel Stivers? He seems to have disappeared from the face of the earth. I'd appreciate any information you might have. Please write or call soon. George and I will be meeting this weekend (George Schweitzer, that is) and may want to see you in the near future.

Sincerely,

Mark J. Hoffman

MJH:kk

cc; Mr. George Suski
Mr. George Schweitzer

